



Department of
Toxic Substances
Control

*Our Mission is
to provide the
highest level of
safety, and to
protect public
health and the
environment
from toxic
harm.*



State of California



California
Environmental
Protection Agency

Fact Sheet, November 2007

Financial Assurance Requirements for Recyclers of UWED or CRT Materials



Recyclers of Universal Waste Electronic Devices (UWED) or cathode ray tube materials (CRT's – televisions, computer monitors, etc) generally perform activities that the Department of Toxic Substances Control (DTSC) considers to be hazardous waste treatment before sending the materials for metal, plastic or glass recycling. Using certain treatment processes may require the operator to prepare a closure cost estimate, documents demonstrating financial assurance for closure, and documents demonstrating financial assurance for liability. Operators must send those documents to the Department of Toxic Substances Control (DTSC) at least 30 days before starting treatment activities. You should consult the actual requirements, covered in Title 22 California Code of Regulations, division 4.5, chapter 23. This fact sheet will give you specific references to assist you in complying with the requirements

Universal Waste Electronic Devices

California Code of Regulations, Title 22, Section 66273.13, Subsection (d)(3)(F)7

California Code of Regulations, Title 22, Section 66273.33, Subsection (d)(3)(F)7



Treatment activities for UWEDs or components that may require you to send financial assurance documents to DTSC include but are not limited to physical processes such as sawing, cutting, grinding, shredding, crushing, compacting and screening. You must provide DTSC with financial assurance documents for those activities if the residues exhibit a hazardous waste characteristic, and do not meet the definition of scrap metal or qualify for management as universal waste.



CRT Materials

California Code of Regulations, Title 22, Section 66273.83, Subsections (d)(2), (d)(3), (d)(4), and (d)(8).



Treatment activities for CRT materials that may require you to send financial assurance documents to DTSC include, but are not limited to, physical processes such as sawing, cutting, grinding, shredding, crushing, compacting and screening. If you conduct the treatment to recycle CRT glass, and a CRT glass manufacturer, or a primary or secondary lead smelter reclaims it, you must send financial assurance documents to DTSC.

Closure Cost Estimates

California Code of Regulations, Title 22, Section 66265.142



To prepare closure cost estimates keep in mind the following:

- Base the cost estimate on when closure is most expensive.
- Include third party costs for waste treatment and disposal unless onsite disposal exists over the life of the facility.
- Do not incorporate salvage values of equipment and waste.
- Adjust the cost estimate annually for inflation.
- Modify the cost estimate if the facility's closure plan is modified.

Prepare the detailed written estimate according to California Code of Regulation, title 22, section 66265.111 through section 66265.115, which anticipates that the facility will be closed:

- In a manner which minimizes the need for additional maintenance of the facility;
- In accordance with the requirements of a written closure plan;
- Within the time periods specified in the closure plan;
- In accordance with proper disposal and decontamination procedures; and
- Certified by the facility owner and a professional engineer.

The exact language of the mechanisms for financial assurance for cost of closure may be found in California Code of Regulations, Title 22, section 66264.151.

Financial Assurance for Cost of Closure

California Code of Regulations, Title 22, Section 66265.143



Financial mechanisms you can use to satisfy the closure cost requirements may include:

- Closure trust fund;
- Surety bond;
- Closure letter of credit;
- Closure insurance; or
- Financial test/corporate guarantee.



DTSC may also consider an alternative financial mechanism. Some typical examples of alternative mechanisms are certificates of deposit, secured savings accounts and time deposit agreements.

You may use multiple financial mechanisms for a single facility and use a single financial mechanism for multiple facilities, so long as the total amount is equal to or greater than the current closure cost estimate.

Mechanisms for Financial Assurance for Liability

California Code of Regulations, Title 22, Section 66265.147

The mechanisms for financial assurance for liability is similar to the mechanisms used for cost of closure and may be:



- Liability insurance;
- Financial test/corporate guarantee;
- Letter of credit;
- Payment bond; or
- Trust fund;

DTSC may also consider an alternative financial mechanism. Some typical examples of alternative mechanisms are certificates of deposit, secured savings accounts and time deposit agreements.

Also, as is the case with financial assurance for closure costs, you may use multiple financial mechanisms for a single facility, and use a single financial mechanism for multiple facilities, so long as the total amount is equal to or greater than the current amount of liability required.

The exact language of the mechanisms for financial assurance for liability is found in California Code of Regulations, title 22, section 66264.151.

Timelines

Submit to DTSC your financial assurance documents at least 30 days before conducting any treatment activity. Adjust the closure cost estimate each time the closure plan is modified. You should also adjust the estimate annually for inflation.

Where to Submit



Send completed financial assurance documents to:

Department of Toxic Substances Control
Financial Responsibility Section
8800 Cal Center Dr.
Sacramento, CA 95826

Other

DTSC prepared this fact sheet to provide general guidance to you for financial assurance requirements for certain UWED and CRT material treatment activities. Please provide this fact sheet and the applicable regulatory requirements to the person who handles the financial matters for your particular activity or company

***Regional Public and Business Liaisons at (800) 72-TOXIC
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